

Message Text

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PAGE 01 CAIRO 03696 291250Z

43

ACTION NEA-12

INFO OCT-01 EUR-25 ISO-00 CIAE-00 DODE-00 PM-07 H-03

INR-10 L-03 NSAE-00 NSC-10 PA-04 RSC-01 PRS-01 SPC-03

SS-20 USIA-15 ACDA-19 IO-14 EB-11 COME-00 SCEM-02

INT-08 TRSE-00 XMB-07 CIEP-02 DRC-01 /179 W

----- 113062

R 291220Z NOV 73

FM USINT CAIRO

TO SECSTATE WASHDC 4473

INFO AMEMBASSY ABU DHABI

AMEMBASSY JIDDA

AMEMBASSY KUWAIT

AMEMBASSY PARIS

C O N F I D E N T I A L CAIRO 3696

E.O. 11652 GDS

TAGS: ENRG EG

SUBJECT: STATUS OF SUMED

1. TAMRAZ (KIDDER PEABODY) BRIEFED US FEW DAYS AGO ON STATUS SUMED. AS RESULT RECENT HOSTILITIES, BECHTEL IS SEEKING ALTER CONTRACT TO INCLUDE "FORCE MAJEURE" CLAUSE TO ABSOLVE ITSELF OF LIABILITY IN EVENT OF DELAY. GOE VIEWS THIS AS AN OBLIQUE EFFORT CHANGE CONTRACT TO COST PLUS BASIS. FINANCING CONCEPT CALLS FOR KUWAIT TO PROVIDE \$80 MILLION, SAUDI ARABIA SAME, AND ABU DHABI \$40 MILLION. KUWAIT AND ABU DHABI HAVE AGREED TO DO SO, BUT SAUDIS DRAGGING FEET. SOME UNRESOLVED EXIM PROBLEMS ALSO EXIST.

2. TAMRAZ IS SEEKING PERSUADE BECHTEL WITHDRAW ITS DEMAND. HE ALSO EXPECTS SHORTLY TO PROCEED SAUDI ARABIA TO PROPOSE THAT, IF SAG EXPERIENCING TEMPORARY ADMINISTRATIVE OBSTACLES TO PARTICIPATING, KIDDER PEABODY MIGHT ARRANGE PICK UP \$80 MILLION SAUDI-ALLOCATED

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SHARE WITH SAG HAVING BUY-BACK RIGHTS SOON AS IT READY

TO DO SO. TAMRAZ IS ALSO SEEKING RESOLVE EXIM DIFFICULTIES.

3. CONTRARY RECENT PRESS REPORTS OUT OF PARIS, SENIOR EGYPTIAN OFFICIALS HAVE TOLD US CATEGORICALLY THEY BELIEVE SUMED PIPELINE WILL BE NEEDED EVEN IF AND WHEN SUEZ CANAL REOPENS.
EILTS

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PETROLEUM PIPELINES, BANK LOANS, CONTRACTS
Control Number: n/a
Copy: SINGLE
Draft Date: 29 NOV 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: morefirh
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973CAIRO03696
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: n/a
From: CAIRO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t1973116/aaaaaebc.tel
Line Count: 69
Locator: TEXT ON-LINE
Office: ACTION NEA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: morefirh
Review Comment: n/a
Review Content Flags:
Review Date: 11 DEC 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <11-Dec-2001 by kelleyw0>; APPROVED <07-Jan-2002 by morefirh>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: STATUS OF SUMED
TAGS: ENRG, EG, BECHTEL, XMB
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005